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MICHIGAN'S

LABOR MARKET NEWS

Volume 49 Number 9 ***November 1993***

SEASONAL INCREASE IN UNEMPLOYMENT

The unemployment rate in Michigan climbed from 6.3 to 6.6 percent in September. The rate increase represents 5,000 additional individuals out of work, as the number of residents seeking employment advanced to 306,000. Total employment declined by 112,000 to 4,356,000, while the labor force dropped by 106,000, settling at 4,663,000. During September, many individuals, who were working in temporary summer employment began leaving the work force, as the tourism and amusement industries, along with summer related recreational facilities, began reducing staff in preparation for the arrival of colder weather.

Compared with a year ago, labor force and employment have expanded by 41,000 and 126,000 respectively, while unemployment declined by 85,000. This has resulted in an over the year drop of 1.9 percentage points in the state's unemployment rate.

GOVERNMENT EMPLOYMENT SURGES AS SCHOOLS REOPEN

Michigan's wage and salary employment advanced, as industry jobs increased to 3,993,300 in September. Employment opportunities expanded by 56,500 as gains were centered in both the goods producing and service producing industries. Goods producing jobs increased by 8,000, primarily as a result of recalls in the transportation equipment and related industries. Service producing employment climbed by 48,600 jobs during September, as Michigan's state and local educational facilities began recalling support personnel with the arrival of the fall semester.

HOURS AND EARNINGS
MICHIGAN

	Average Hourly Earnings		Average Weekly Hours	
	1993		1993	
	Sept.	Aug.	Sept.	Aug.
Manufacturing	15.53	15.08	43.3	42.8
Durables	16.52	16.06	43.7	43.1
Motor Vehicles	20.09	19.66	44.2	43.1
Nondurables	12.52	12.18	42.2	42.0

In September, the average workweek in the state's manufacturing industries increased to 43.3 hours from 42.8 hours the previous month. The gain was due to additional hours worked by individuals in the automotive and related industries. Over the month, average hourly earnings advanced by 45 cents to $15.53. As a result, average weekly earnings in manufacturing reached $672.45, a gain of $27.03 over August's total.

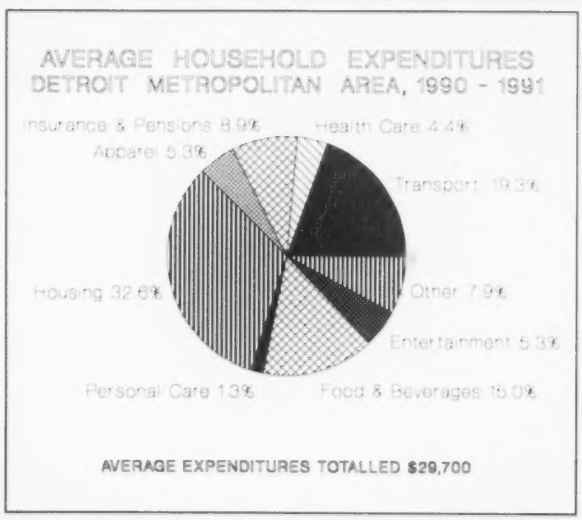
DETROIT METROPOLITAN AREA CONSUMER EXPENDITURES 1990 - 1991

During 1990-91, the Detroit metropolitan area households spent an average of $29,732 per year, only $731 above the nation's $29,001. The two closest metropolitan areas, Cleveland and Chicago, spent $26,960 and $32,568 respectively. Average household income before taxes at $35,702, was higher in the Detroit area than for the U.S., which averaged $32,899. Average income in Cleveland was almost 20 percent lower than Detroit, while in Chicago it was 10 percent higher.

Although households in the Detroit area spent more for shelter (mortgage interests, property taxes, repairs, rent etc.) and transportation than the nation in general, they spent much less on health care. Average local property taxes in Detroit area were over twice as high as in Cleveland and about 20 percent higher than Chicago. Local spending on transportation was the highest of any city surveyed in the Northeast and Midwest. However, health care expenditures paid directly by households in Detroit were among the lowest of the 26 cities published in this survey.

Detroit area housing expenditures stood at $9,700, an increase of 7.5 percent over the 1988-89 period. Housing accounted for almost 33 percent of total expenditures, followed by transportation with 19.3 percent. Ninety-one percent of local households reported owning at least one vehicle, compared to 86 percent nationwide.

Source: Bureau of Labor Statistics, U.S. Department of Labor. October 1993.



	Michigan (Data in Thousands)		
	Sept 1993	Aug 1993	Sept 1992
Place of Residence			
Labor Force	4,663	4,769	4,622
Employment	4,357	4,468	4,231
Unemployment	306	301	391
Rate (Percent)	6.6	6.3	8.5
Place of Work			
Total Employment	3,994	3,938	3,949
Goods Producing	1,059	1,051	1,057
Const. & Mining	156	157	149
Manufacturing	903	894	908
Durable Goods	665	657	674
Primary Metals	37	36	36
Fabricated Metals	117	114	115
Trans. Equip.	272	268	287
Nondurable Goods	238	238	234
Food & Kindred	47	48	46
Other Nondurable	192	189	187
Service Producing	2,935	2,887	2,892
Tran. Comm. Util.	156	157	156
Wholesale Trade	198	199	201
Retail Trade	743	748	732
General Merch.	116	115	114
Eating & Drinking	264	267	261
Fin. Ins. Real Est.	189	191	189
Finance	86	87	87
Services	1,021	1,018	986
Business Services	203	202	194
Health Services	335	335	326
Other Services	483	481	466
Government	628	573	627
Federal	57	56	58
State	163	147	164
Local	408	370	406
Labor Disputes	0.8	2.2	12.4

Civilian Labor Force and Wage & Salary Estimates

	Ann Arbor			Battle Creek			Benton Harbor		
	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992
Place of Residence									
Labor Force	160,800	161,700	160,700	66,000	67,100	64,900	78,700	81,800	78,400
Employment	154,700	155,700	152,600	61,900	63,200	60,200	73,200	76,500	71,400
Unemployment	6,100	6,000	8,000	4,200	3,900	4,700	5,500	5,300	6,900
Rate (Percent)	3.8	3.7	5.0	6.3	5.9	7.2	7.0	6.5	8.8
Place of Work									
Total Employment	174,000	168,000	174,300	61,400	60,500	61,000	67,000	67,400	67,000
Construction & Mining	4,300	4,300	4,000	2,200	2,200	2,100	2,000	2,000	2,000
Manufacturing	34,300	34,000	37,100	16,600	16,500	16,300	19,700	20,000	20,200
Tran., Comm. & Utilities	3,800	4,000	4,200	1,900	1,900	2,000	3,000	3,100	2,900
Wholesale Trade	4,800	4,700	5,000	1,700	1,700	1,700	2,200	2,300	2,200
Retail Trade	26,400	25,800	26,500	11,700	11,500	11,300	12,400	12,600	12,000
Fin., Ins. & Real Estate	5,000	5,200	5,000	3,100	3,100	3,100	2,600	2,600	2,700
Services	40,700	40,700	39,800	13,000	12,600	13,000	16,000	15,800	15,600
Government	54,700	49,400	52,800	11,200	10,900	11,500	9,100	9,100	9,400
Labor Disputes	0	0	0	0	0	0	0	0	0

	Jackson			Kalamazoo			Lansing		
	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992
Place of Residence									
Labor Force	66,700	67,400	66,200	123,300	123,600	120,600	241,900	239,500	239,500
Employment	61,600	62,700	59,700	118,400	118,900	113,800	230,600	224,000	225,800
Unemployment	5,000	4,700	6,500	4,900	4,700	6,800	11,300	15,600	13,700
Rate (Percent)	7.6	7.0	9.9	4.0	3.8	5.6	4.7	6.5	5.7
Place of Work									
Total Employment	55,100	53900	54400	117200	113400	114800	215700	201300	215600
Construction & Mining	1,700	1,700	1,700	4,400	4,500	4,300	6,600	6,900	6,700
Manufacturing	12,200	12,000	12,200	27,700	27,600	28,000	28,300	22,200	30,000
Tran., Comm. & Utilities	3,600	3,600	3,500	3,100	3,100	3,100	6,600	6,600	6,500
Wholesale Trade	2,200	2,200	2,200	4,500	4,500	4,500	8,600	8,600	8,600
Retail Trade	11,600	11,500	11,200	22,100	21,500	21,500	39,400	38,800	39,100
Fin., Ins. & Real Estate	1,600	1,600	1,800	6,500	6,400	6,300	12,700	12,800	12,300
Services	12,200	12,000	11,700	30,700	30,700	30,100	47,400	46,800	44,800
Government	10,100	9,300	10,100	18,400	15,200	17,000	66,000	58,600	67,500
Labor Disputes	0	0	0	0	0	0	0	0	0

Civilian Labor Force and Wage & Salary Estimates

	Detroit (Data in Thousands)			Flint			Grand Rapids		
	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992
Place of Residence									
Labor Force	2,160	2,214	2,146	182,000	184,600	183,900	400,500	405,600	392,600
Employment	2,011	2,072	1,957	164,300	167,600	160,800	381,600	386,900	365,500
Unemployment	149	141	189	17,700	17,100	23,100	18,900	18,700	27,100
Rate (Percent)	6.9	6.4	8.8	9.7	9.2	12.5	4.7	4.6	6.9
Place of Work									
Total Employment	1,910	1,898	1,883	164,800	161,600	164,700	377,100	368,800	366,800
Construction & Mining	64	65	61	5,800	6,000	5,200	16,600	17,200	16,400
Manufacturing	427	430	423	45,200	44,400	46,200	102,300	101,700	101,400
Tran., Comm. & Utilities	89	88	87	4,600	4,500	4,800	13,600	13,700	13,300
Wholesale Trade	111	112	113	7,000	7,000	7,200	28,200	28,300	27,700
Retail Trade	342	344	340	32,400	32,800	32,700	69,000	68,800	67,800
Fin., Ins. & Real Estate	106	107	108	6,000	6,000	5,900	17,200	17,400	16,600
Services	539	539	530	40,700	41,500	38,600	91,200	89,400	87,800
Government	233	214	222	23,000	19,300	24,200	38,900	32,300	35,900
Labor Disputes	0.2	0	11.5	0	0	0	0.1	0.1	0.9

	Muskegon			Saginaw - Bay - Midland			Upper Peninsula		
	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992	Sept 1993	Aug 1993	Sept 1992
Place of Residence									
Labor Force	66,700	68,700	67,700	192,000	196,600	190,600	153,700	160,700	151,500
Employment	60,600	62,700	59,900	179,900	184,800	175,600	142,800	149,200	137,500
Unemployment	6,100	6,100	7,800	12,100	11,800	15,000	10,900	11,500	14,000
Rate (Percent)	9.1	8.8	11.5	6.3	6.0	7.9	7.1	7.1	9.2
Place of Work									
Total Employment	57,400	57,000	57,700	167,300	165,800	166,800	121,000	119,400	119,600
Construction & Mining	2,200	2,300	2,200	9,000	9,100	8,000	8,600	6,700	8,600
Manufacturing	14,700	14,500	15,200	41,500	41,800	42,800	15,200	15,400	15,300
Tran., Comm. & Utilities	2,200	2,200	2,400	6,500	6,400	6,400	5,700	5,800	5,700
Wholesale Trade	2,200	2,200	2,200	5,800	5,900	6,100	3,200	3,300	3,200
Retail Trade	11,400	11,500	11,700	35,800	35,800	35,700	25,400	26,200	25,000
Fin., Ins. & Real Estate	1,800	1,800	1,800	6,200	6,300	6,100	4,300	4,300	4,200
Services	13,400	13,500	12,900	41,400	41,000	40,100	25,300	26,000	23,900
Government	9,400	8,900	9,400	21,200	19,400	21,700	33,200	31,800	33,700
Labor Disputes	0.1	0.1	0	0	0	0	0.4	1.9	0

MAJOR LABOR MARKET AREAS

JOBLESS RATES ADVANCE IN MOST METROPOLITAN AREAS

The unemployment rate rose in ten out of Michigan's 12 major labor market areas. One area remained unchanged and another, the Lansing area recorded a sharp drop for the month, as auto workers were called back from temporary layoffs. The rise in joblessness in most areas was the result of seasonal declines in labor force and employment, as many summer job holders began leaving their work to return to school. However, some seasonal workers remained in the job market seeking other employment and causing unemployment rates to increase. Most of the increases were small, averaging half a percentage point or less.

Among the state's major labor market areas, Ann Arbor registered the lowest unemployment rate at 3.8 percent, followed by Kalamazoo with 4.0 percent, while the Flint area had the highest rate at 9.7 percent. The largest rate change in September occurred in the Lansing area, where unemployment decreased to 4.7 percent from 6.5 percent in August. Compared with a year ago, the unemployment rate fell significantly in all the major areas. In five areas: Flint, Grand Rapids, Jackson, Muskegon and the Upper Peninsula, the rates declined by more than 2 percentage points over the year.

SEASONAL JUMP IN WAGE AND SALARY EMPLOYMENT

Total September nonfarm payroll employment moved upward in all but one of the major labor market areas. The Benton Harbor area showed a small decline, caused by temporary layoffs in the food and kindred product industry. Among the major areas, Lansing experienced the largest employment increase at 7.2 percent, followed by Ann Arbor and Kalamazoo with 3.7 and 3.4 percent respectively. Most areas showed seasonal gains in their service producing industries, following the resumption of classes in their state and local educational facilities. Some major areas, such as Lansing, also experienced employment growth in their goods producing industries, as local auto plants recalled workers who were on temporary lay-off in August.

During September, the average workweek in the manufacturing industries advanced in four major metropolitan areas. The limited gains were due to the rehiring of laid-off workers in the automotive and related industries. Average hourly earnings moved up in all the metropolitan statistical areas over the month, causing average weekly earnings in nine areas to rise. The largest gains were reflected in Flint and Detroit with increases of $75.17 and $33.64 respectively.

MANUFACTURING HOURS AND EARNINGS
Major Labor Market Areas
August and September 1993

Area	Average Weekly Hours		Average Weekly Earnings		Average Hourly Earnings	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
Ann Arbor	44.5	45.0	768.96	773.55	17.28	17.19
Battle Creek	45.0	44.2	763.20	734.60	16.96	16.62
Benton Harbor	42.8	42.8	492.20	485.78	11.50	11.35
Detroit	44.1	43.5	746.17	712.53	16.92	16.38
Flint	45.8	43.2	936.15	860.98	20.44	19.93
Grand Rapids	41.9	42.6	538.83	532.93	12.86	12.51
Jackson	43.4	42.9	477.40	464.18	11.00	10.82
Kalamazoo	42.9	43.0	641.35	619.63	14.95	14.41
Lansing	40.1	41.7	659.64	660.94	16.45	15.85
Muskegon	39.9	41.5	493.16	510.03	12.36	12.29
Saginaw	42.7	42.8	762.19	732.74	17.85	17.12
Upper Peninsula	39.8	40.6	463.67	464.46	11.65	11.44

LABOR SURPLUS AREAS, OCTOBER 1993

Alcona County
Alger County
Alpena County
Antrim County
Arenac County
Baraga County
Battle Creek City
Bay City
Benzie County
Berrien County
Branch County
Burton City
Cass County
Charlevoix County
Cheboygan County
Chippewa County
Clare County
Clinton Township
Delta County
Detroit City
Dickinson County
Emmet County
Flint City
Gladwin County
Gogebic County
Grand Rapids City
Gratiot County
Highland Park City
Hillsdale County
Houghton County
Huron County
Inkster City
Ionia County
Iosco County
Iron County
Jackson City
Jackson County Bal.
Kalamazoo City
Kalkaska County
Keweenaw County
Lake County
Lapeer County
Lenawee County
Luce County
Mackinac County
Macomb County Bal.
Madison Heights City
Manistee County
Marquette County
Mason County
Mecosta County
Menominee County
Midland County Bal.
Missaukee County
Monroe County
Montcalm County
Montmorency County
Mount Morris Township
Muskegon City
Muskegon County Bal.
Newaygo County
Oceana County
Ogemaw County
Ontonagon County
Osceola County
Otsego County
Pontiac City
Port Huron City
Presque Isle County
Roscommon County
Roseville City
Saginaw City
Sanilac County
Schoolcraft County
Shiawassee County
St. Clair County Bal.
St. Joseph County
Tuscola County
Van Buren County
Warren City
Wexford County

IMPORTANT NOTICE: The Department of Labor issues the Labor Surplus Area listings on fiscal year basis. The listings become effective on October 1st and stay in effect through the following September 30th. Some significant changes were made in this year's listings. Seventeen areas have been removed, while only one has been added. The areas removed are: Barry County, Bay County Bal., Calhoun County Bal., Clinton County, East Detroit City, Ferndale city, Flint Township, Genesee County Bal., Grand Traverse County, Lansing City, Leelanau County, Lincoln Park City, Saginaw County Bal., Shelby Township, Taylor City, Waterford Township, Yipsilanti Township. The only area added was Kalamazoo City.

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